

The Heinz College

Organizational Design and Implementation

94-700

Mini 2, Fall, 2024

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There is one book we will read during the semester: *The Five Dysfunctions of a Team* (by Patrick Lencioni). This book is available at reasonable prices from Amazon.com. All other reading material will either be handed out in class or distributed through Canvas. Many of these additional readings are from Harvard Business School. Unfortunately, these additional readings and cases do not come free. Your accounts will be charged for these materials before the end of the mini.

**Course Learning Objectives:**

This course is designed to improve your effectiveness as a manager by introducing you to frameworks for understanding organizations and organizational processes. Organizations have been studied from the perspective of several social science disciplines, including psychology, sociology, economics, anthropology and political science. The field on which this course is based, organizational behavior, draws from all of these disciplines and applies the insights derived from the pertinent research. This course will introduce you to this research and ways to apply the knowledge to particular situations through class discussion of cases.

Specifically, by the end of this course, students will be able to:

- Define how power is used in organizations, the differences between power and authority and the role of networks in building organizational power.
- Recognize the decision-making processes used in organizations and the ethical dilemmas decision-makers face.
- Appreciate cultural differences in management styles and expectations and be able to adapt to those differences.
- Understand the role of leaders in managing change.
- Form a personal perspective — framed by the debates on corporate governance — on who corporations should serve.

**Policy on Academic Integrity:**

Plagiarism and other forms of academic misrepresentation are taken extremely seriously. Misrepresentation of another's work as one's own is widely recognized as among the most serious violations. The violation is clearly flagrant when it occurs as plagiarism on a required paper or assignment or as cheating on an examination, regardless of whether it is a take-home or in-class examination. The punishment for such offenses can involve expulsion from the program. There are many other ways in which a violation can occur, including using material generated by AI platforms and passing it off as your own.

**Computer usage during class:**

The classroom is an opportunity to interact and learn from others. Consistent with this objective, no texting, emailing, web searching, phoning, or other electronic communication is permitted during class. However, you may have your computer out to take notes.

**Requirements:**

Students are expected to come to class prepared to discuss the readings and the case for that day, if there is one. Grades will be based partly on timely submissions of assignments, participation in class discussions and exercises, a set of quizzes and a final exam:

**Class participation:** 25%

**OrgChange Reflections memo:** 10%

**three Quizzes:** 30% (10% each)

**Cumulative Final:** 35%

**Class Participation**

I encourage and expect everyone to participate in class discussions and activities. We will analyze and discuss several cases to illustrate certain principles covered in class. Sharing your own knowledge and experience will benefit the whole class. Constructive contribution to the class discussion and genuine listening to others is an important element of class participation. Keep in mind that high quality participation is the goal, not high quantity of airtime. In other words, it's not how much you talk, it's what you say that's important.

There will be several components in your class participation grade, in addition to your daily attendance and participation in class discussions. Some of these components will come from individual assignments, the first of which is to fill out a questionnaire that your TA will distribute that will help us assign people to groups. Responses to this questionnaire will be due by the first Friday of the first week of class, October 25.

**Reflections Memo on *Five Dysfunctions of a Team*.** The sole book required for this class is Lencioni's *Five Dysfunctions of a Team*. Since teams and groups in general are an important part of organizational life, we should always have in the background an awareness of how the group is affecting our ability to perform or in general accomplish the goals of an organization. The content of this book will therefore be useful as we discuss many of the cases in this class.

In addition to this general help, there is a specific individual assignment that will draw on the insights in this book. Lencioni delineates five different ways in which teams often get into trouble. Your assignment is to think back to a team you worked with, perhaps while you were with your last employer. Write a memo (400 words maximum) that analyzes this group experience. Did this team suffer from any of these

dysfunctions, and if so, which ones? What actions did the leaders and team members take to make it not dysfunctional? What role did *you* play in helping the team not be dysfunctional?

This memo contributes toward your class participation grade. While I will not assign a grade to your memo *per se*, successful and timely submission of this exercise is expected. What I am looking for in this memo is an honest reflection of your experience with a team you have participated in and a thoughtful accounting of how the Lencioni book informs your analysis of this experience. I will be looking for evidence that you have read and understand the implications of the critical principles in the book. The memo should be uploaded on Canvas by midnight on November 10.

**Group Assignments.** Other parts of your class participation grade will stem from homework that is required from small groups (5-6 people each) that you will be assigned to. One of your first charges will be to meet as a group and decide on a group nickname. Please upload your group name, along with a list of the group members, to Canvas by the midnight on November 3. Only one submission is necessary per group.

Three of the classes (classes 4, 6, and 12) will entail the discussion of pre-assigned cases (the Parker, Peterson, and Merck cases, respectively). In preparation for these classes, your group should meet to discuss the case, the issues it raises, and possible solutions to the problems faced in the case. One product of this meeting should be a brief written summary (300-500 words) of your group's thoughts, analysis and conclusions. This summary is to be submitted via Canvas by midnight the evening before the class discussion of the case. Again, only one submission is required from each group for each of these case analyses; however, be sure to identify the group name and the list of people in your group who participated in this preparatory group discussion to ensure that each participant gets credit for this assignment.

In preparing the cases for class discussion, you should be ready to address the following big picture themes:

1. Key Issues: What are the major problems or issues raised in the case? You should not restate the facts of the case, but it should identify the major issues.
2. Analysis: What are the causes of the situation or problems described? What theories or concepts in class apply to this situation? You should attempt to establish cause-and-effect relationships that apply to the situation described in the case.
3. Management Action: What course of action do you suggest to be taken (and by whom)? Are there issues in implementing your solution? This solution should be a natural result of the key issues you present and the analysis you provide.

**Internal Peer Evaluation.** There is another component of this class participation grade. No one will know better the level of contribution made by each member of your group than your fellow group members. As such, I will ask each of you to evaluate your group members' "performance" in this role.

As a guide to evaluate your group members' contributions, you should consider the advice in *The Five Dysfunctions of a Team*. Did any of your teammates contribute to any dysfunctional or functional processes of your group's ability to perform well in this class?

Your evaluations of your group members will be submitted formally through CATME. At the end of the course, you will receive a questionnaire from CATME that will ask you to rate on a scale each of your group members (including yourself) as to how much you feel they contributed to the group process. You will also have the opportunity to supplement these scores with qualitative comments. It is in these qualitative

comments that I encourage you to consider Lencioni's insights. Which functions or dysfunctions did each member of your group engage in? What were your own contributions, with regard to these Lencioni principles?

Filling out these peer evaluations is required. Failure to do so will adversely affect your class participation grade. Moreover, *these peer-group evaluations should be taken seriously, since the results will constitute part of each of your fellow group members' class participation grade.*

I will not share your input with anyone else in your group. Occasionally, groups share with each other these evaluations, either one-on-one or in an open group setting. This is perfectly fine to do, as long as it is done constructively. Indeed, this is an opportunity to both give constructive feedback and to learn from others about how they viewed your contribution to the group process. However, no one should feel compelled to participate in such a feedback process if they prefer not to.

Altogether, your class participation grade will contribute 25% toward your final grade in the course.

### **OrgChange Reflections Memo:**

The OrgChange exercise is a special Saturday morning class on November 23, from 8:30am to 12:30pm. This special session will replace two and a half normally scheduled class periods during the mini. While your performance in the exercise itself will not be graded, attendance is required. Following the exercise, you will have an additional written assignment, called the "OrgChange Reflections Memo," which will be graded. This short memo is described in detail later on in this syllabus. Your score on this memo will contribute 10% toward your final grade.

### **Quizzes:**

We will have three quizzes composed of multiple choice questions pertaining to the readings and past class material. Each will be administered during the beginning of the class period only (thus, it is particularly important that you are not late for class on days we have a quiz). The quiz is closed notes, closed books; no access to computers, phones, or other electronic devices will be allowed.

The quiz will be taken in two parts. First, each individual student will answer the multiple choice questions and then hand in their answers. After all the students have completed their individual answers, each group will then retake the same quiz. During this group part of the quiz, group members will get to discuss among themselves what they believe to be the best answers. Then each group will submit a set of answers based on this discussion. Your grade on the quiz will be composed of the sum of your individual score and your group's score on the quiz.

Each of the three quizzes will count 10% toward your final course grade.

### **Final:**

The final exam will be an essay exam given in class on December 4. This exam will be taken by the group during class. Each group will submit one set of answers to the essay questions at the end of the class. Unlike the quizzes, the final will be an open book, open notes exam where you may consult resources such as the class readings and notes during the exam. The final is cumulative; it will cover material for the entire course from the initial class up to and including the class just prior to the exam. Your grade for the final exam will count 35% toward your overall course grade.

## Course Summary for 94-700

Date	Topic	Readings/Assignments	Case
1. October 21	Complexities in Decision Making		
2. October 23	Influencing Decisions	Grant: "Persuading the Unpersuadable"; Wheeler: "How to Talk Like an FBI Negotiator"; Emmerling & Rooders: "7 Strategies for Group Decision-Making"; Kashdan: "7 Rules for Persuasive Dissent"	
October 25		Individual questionnaire due	
October 28		*** No ODI class today ***	
3. October 30	Power I: The Ability to Get Things Done	Krackhardt & Hanson: "Informal Networks: The Company Behind the Chart"; Burt & Hogseth: "How Social Networks Create Competitive Advantage"	
November 3		Group Nickname due	
4. November 4	QUIZ #1; Power II	Battilana & Casciaro: Chapter 4 from <i>Power for All</i>	
November 5		Parker Group Case analysis due	
5. November 6	Power III	Nye: "Smart Power"	Elizabeth Parker Case (A and B)
November 10		Reflections due on <i>Five Dysfunctions of a Team</i>	
6. November 11	Authority & Power	Hill: "Exercising Authority"; Hill & Lineback: "I'm the Boss!"	
November 12		Peterson Group Case analysis due	
7. November 13	Power Up	Gabarro & Kotter: "Managing Your Boss"; Gallo: "Setting the Record Straight on Managing Your Boss"	Erik Peterson (Cases A and B)
November 18		*** QUIZ #2 today (short class) ***	
November 19		International Culture Slides due <b>by 6pm</b>	
8. November 20	Managing across cultures	Meyer: "Navigating the Cultural Minefield"	Myths and Insights presentations
November 22		OrgChange NIS Pre-Assignment due	
9-11. November 23	Implementing Change (session will be on Saturday from 8:30am-12:30pm in A301.)	Satell: "4 Tips for Managing Org Change"	OrgChange exercise materials
November 25		*** No ODI class today, but OrgChange Reflections due tomorrow ***	
December 1		Merck Group Case analysis due	
12. December 2	QUIZ #3; Corporate Governance	Friedman: "The Social Responsibility of Business is to Increase Its Profits;" DealBook article published Sept. 11, 2020, in the <i>NY Times</i> : "A Free Market Manifesto That Changed the World, Reconsidered"	Merck case
13. December 4		*** <b>Final Exam</b> ***	
December 9		Peer Evaluations due (see pages 3-4 in syllabus)	



# Organizational Design and Implementation

## 94-700 – Assignments for Class

### 1. October 21 — The Complexities in Decision Making

In this introduction, we will discuss how decisions are made in organizations. No readings are required before class.

### 2. October 23 — Influencing Decisions

Many important decisions, especially in the highest levels in organizations, happen in groups. As we saw in the first class, groups can complicate the process, because you have to get other parties to agree with whatever decision you see as clearly the right one. The articles for today summarize decades of research and experience on this major topic. In class, we will deal with the practical side of groups, some large, some small, and how they can be induced to arrive at reasonable solutions under ambiguous and sometimes stressful conditions.

You will have four readings for today's class. The first two, by Grant and by Wheeler, speak directly to how you can nudge people to reach a decision that satisfies your interests. These two will be most helpful for you in class today. Think about which of the strategies these authors recommend that are likely to be useful to you in a situation where you need to convince others of the reasonableness of your position.

The last two articles integrate the issues we discussed in the first class with those we are covering today. The first of these, by Emmerling and Rooders, summarizes principles that have been uncovered over years of study of how groups can improve decision making. The second of these two articles, by Kashdan, focuses on the same decision-making problems but addresses what *individuals* can do to confront these problems. You should definitely read these, but it can wait until after class.

### 3. October 30 — Power I: The Ability to Get Things Done

We will introduce research on the idea of power in organizations and how power is facilitated through networks. Read for today two articles that introduce these topics: “Informal Networks” by Krackhardt & Hanson; and “How Social Networks Create Competitive Advantage” by Burt and Hogseth.

### 4. November 4 — Power II: Finding Those Influential Resources (Quiz #1)

Today we will have the first quiz of the course. It will cover material addressed in all the lectures and readings up to and including the chapter for today's class. Be sure to be prepared to take the quiz individually and then again as a group. It is best to prepare for this quiz in your group ahead of time.

The reading for today is from Chapter 4 of one of the best books on power out there in the market: “Power for All” by Battilana & Casciaro. Indeed, I recommend the entire book to anyone who is interested in following up on this topic.

**A reminder:** Your group should submit its group nickname to Canvas by midnight on **November 3**. And, finally, your first group assignment, an analysis of the Elizabeth Parker case (see following description), must be uploaded to Canvas by midnight, November 5.

## 5. November 6 — Power III

Just because one is in a position of authority does not guarantee power, or at least does not guarantee its successful use. (We will discuss authority in more detail later in the course.)

Today we have our first case to analyze, Elizabeth Parker (A and B). Case A describes Parker's experience as she begins a career in this public sector organization. Case B describes a new job assignment she has taken on and some stiff challenges she faces. The reading for today, an interview with Joseph Nye ("Smart Power"), speaks to issues of power available to the manager and how these tools should be used to accomplish ends in the organization.

- What accounts for her success in Case A?
- How does the situation in Case B differ from the situation she faced in Case A?
- What strategy should she use to meet her deadline in Case B?

**Reminder: Your group case analysis is due the evening before we discuss this case.**

**Reminder:** Your individual memo is due on Canvas by midnight, November 10, for your self-reflections based on your reading of the book required for this course, Lencioni's *Five Dysfunctions of a Team*. See the earlier description of this assignment in this syllabus.

## 6. November 11 — Authority and Power

Hill's articles for today ("Exercising Authority" and "I'm the Boss!") are based on her study of new managers who are provided authority in the sense that they occupy a position in the organizational chart whereby they are in charge of and responsible for the actions of their subordinates. As she notes, people in positions of authority often have other bases of power, also. How powerful is authority, per se? That is, if authority holders had no other base of power to back them up, how much influence would they have?

## 7. November 13 — Power Up

As with the Parker case, your group will be responsible for submitting an analysis of the Erik Peterson cases A and B for today's class. This submission is due by midnight on November 12, the evening before we will discuss the case in class. As you prepare and analyze these cases, consider the advice given in "Managing your Boss" by Gabarro and Kotter and also in Gallo's short piece on "Setting the Record Straight on Managing Your Boss." Also, include in your submission an analysis of the problems facing Peterson in case A and design an action plan of the steps you would take, in order of priority, if you were Peterson to address these problems. In particular:

- Prepare a detailed analysis of the problems facing Peterson in cases A and B and design an action plan (in order of priority) of the steps you would take if you were Peterson.
- Assuming you were Peterson, prepare an agenda for your meeting with Knight. Prepare a plan outlining how you would handle the visit by Jenkins and Harper. Include agendas for any meetings you would hold.



**November 18— Quiz #2 (short class; remainder of time you can use to work with your group to prepare for the Culture class)**

**November 19 — International Culture Slides due at 6pm today**

## **8. November 20 — Managing across Cultures**

Read Erin Meyer's account of "Navigating the Cultural Minefield."

**Special Group Assignment due in preparation for this class:** While the majority of the class is American, a large number of the students are from other countries. Your group assignment for this class is an opportunity to take advantage of this diversity.

Meet in your group and share with each other the following:

1) One or two **myths** about your home country. That is, relate something that is widely believed about the country or its people but that is outdated, extremely rare, a distortion of the truth, or simply a falsehood.

2) One or two key **insights** into managing people or organizations in your country — something anyone who comes to work in your country should know or be aware of.

Americans should participate in this exercise as well, sharing their perceptions of myths and insights about the US. They may offer different perspectives on regions of the country, different ethnic groups, or simply different viewpoints even though they share an American upbringing.

As part of this exercise, you should create a Powerpoint slide deck of these myths and insights to be presented to the rest of the class today. While each of you should create your own slide deck expounding on your own country's myths/insights, as a group you should compile one large slide deck, combining all group members' contributions. The first page of this deck should contain your group nickname, the names of the group members plus their associated country they are sharing these insights about. *Please submit via Canvas a copy of this compiled Powerpoint slide deck for your presentation by 6pm the evening before this class (that is, the evening of November 19).*

During class, I will call on as many people as possible to present their version of the myths and insights that outsiders should know about. These individual presentations should be very brief, and we will try to avail the opportunity for as many people to present as possible. But we will probably not be able to get to all of everyone's presentation in the short class time we have. Even if we do not get to your presentation that day, I would like everyone to have the opportunity to see the Powerpoint presentations you have prepared. To facilitate this, we will make all Powerpoint presentations available for all to see by the following class.

**November 22— Individual OrgChange NIS Preassignment due**

## 9-11. November 23 — Implementing Change

**Note: This class session will be held in the Heinz Auditorium, room A301. It will last a full 4 hours, from 8:30am to 12:30pm on Saturday, November 23.**

Read Satell's article on "4 Tips for Managing Org Change" as background for today's class.

Today we are going to give you a chance to practice many of the principles we have discussed thus far in the course. Your objective this week will be to get a set of managers to support a new innovative green plan, called the Sustainability Program, for the company. We will conduct an exercise, called the "Networking and Influence Simulation" (or NIS), during this Saturday morning session that will give you a chance to accomplish this objective.

We will be using *PC laptops* that day (you are to bring your own laptops), and you should make sure that you have *the most current version of Chrome* on your machine to access this NIS. You will work together in your assigned groups to implement the objective of the exercise. While everyone can potentially be logged into the exercise, only one person, designated the "Editor," in each group will be able to execute the group's actions on the computer. It is particularly important that this Editor in your group be using a Windows PC with a current version of Chrome. At least one other group member, designated a "Reader", will also be able to login and follow along with what is going on in the simulation, but Readers will not be able to execute the Actions available to the Editor. Of course, the Editor and the Reader and others in the group should be communicating regularly with each other to discuss and evaluate which Actions the Editor should execute.

We will conduct this exercise entirely in room A301, the auditorium at Heinz.

**Note:** While your performance in this Saturday exercise itself is not graded *per se*, attendance at this special class exercise is required for the course. If you cannot make it for some reason, please let one of the TA's know *at least two weeks* ahead of time. In such a case, an extra assignment will be provided to you that will address much of the material covered in the Saturday exercise.

**Individual Pre-Assignment for this NIS Exercise.** While the exercise itself will be conducted in a group, everyone individually will have a "Pre-assignment" that must be submitted to Canvas the evening before we start. In this assignment, you should think about what your group's strategy should be in order to succeed. To competently complete this pre-assignment, you should consult the NIS manual and focus on the following three questions:

1) There is a brief description of the Mission Statement on page 3 of the NIS manual. In two or three sentences, how would you describe what your group's overall approach should be to get your Sustainability Program accepted by the CEO?

2) On pages 10-13 of the NIS manual, you will find a short description of each of the 24 targets who might help you reach your goal of getting sufficient support for your Sustainability Program. Which three of the 24 targets do you think will be most useful to you in accomplishing this goal? Which three do you think will be least useful? Why?

3) Pages 5 and 9 of the manual describe the Actions available to you while you try to convince the critical players to accept your proposed Sustainability Program. The more specific details of these various Actions are provided in Appendix 1 on page 9. Which of these possible Actions that you can take do you

think will be *most critical* to you in this exercise? Why?

Your answers to these questions should be uploaded to Canvas by **7PM on November 22**, the evening before the exercise itself. And, while you should write and submit your own *individual* answers to these questions, you are encouraged to discuss your thoughts on these questions with your fellow group members before submitting your own answers. While I will not grade these submissions, your completion of this pre-assignment will contribute towards your overall Class Participation grade.

**Individual Reflections memo:** This NIS OrgChange exercise is designed to give you an opportunity to experiment with different strategical and tactical options for changing an organization. As a follow-up to this exercise, you are to write a short narrative (1-3 pages at most) that addresses the following:

- 1) Analyze the effectiveness of your group’s overarching strategy and choice of tactics.
- 2) If you had a chance to repeat the exercise (that is, conduct a “do-over”), describe tactics that you might reuse, adapt, or change, and explain why.
- 3) Explain, using principles from the course, how you might prepare to implement a change process (e.g., implementing the adoption of a new procedure) in your future workplace. What methods of diagnosis would you use? How would you plan for the change?

Every participant in this exercise should write and submit their own memo. You should upload this assignment to Canvas by midnight, November 26. I will grade these individual memos based on a set of criteria outlined in a rubric for this written assignment, a rubric that I will make public at the conclusion of the exercise (but before you are to write and submit this assignment).

**November 25 — No class today, but NIS OrgChange Reflections memo due tomorrow**

## 12. December 2 — Corporate Governance

Read Nobel Laureate Milton Friedman’s classic article, “The Social Responsibility of Business is to Increase its Profits.” This article, as Friedman embarrassingly admitted, is the most famous piece he had ever written, and it prompted a whole series of discussions, essays, retorts, and even a new academic subfield. Next read the retrospective in the *NY Times* to give a more modern interpretation to this debate. This discussion reaches beyond our normal focus on what happens inside an organization to include impacts on society as a whole. But it is fundamental and deserves thorough thought and analysis.

It is tempting to discuss these issues of corporate governance vis a vis such high-profile cases such as the accounting scandals at Enron or Wells Fargo, or even the Elizabeth Holmes/Theranos research misrepresentation scandal. But those are clear cases of fraud and not worthy of much debate. Instead, we will discuss these issues in light of a much more complex case, Merck & Co., where more compelling logic can be mustered on both sides.

The central question to prepare for in this class session is: *Should* Merck invest in Campbell’s idea? Why or why not? Prepare a group analysis of this case, focusing on this question. This final group case analysis is due December 1, the day before we discuss this case in class.

### **13. December 4 — Final Exam**

The exam will be given during class and taken as a group. The exam will be composed of essay questions. As opposed to the midterm quiz, the final exam will be open book, open notes, and only one copy of the exam should be uploaded for each group by the end of the class period.